

U.S. Department of the Interior
Bureau of Land Management
White River Field Office
220 E Market St
Meeker, CO 81641

SECTION 390 CATEGORICAL EXCLUSION FOR OIL AND GAS DEVELOPMENT

WPX's 14 New Wells on the Existing RGU 13-36-198 Well Pad

DOI-BLM-CO-N05-2015-0068-CX
DOI-BLM-CO-N05-2015-0069-CX
DOI-BLM-CO-N05-2015-0070-CX
DOI-BLM-CO-N05-2015-0071-CX
DOI-BLM-CO-N05-2015-0072-CX
DOI-BLM-CO-N05-2015-0073-CX
DOI-BLM-CO-N05-2015-0074-CX
DOI-BLM-CO-N05-2015-0075-CX
DOI-BLM-CO-N05-2015-0076-CX
DOI-BLM-CO-N05-2015-0077-CX
DOI-BLM-CO-N05-2015-0078-CX
DOI-BLM-CO-N05-2015-0079-CX
DOI-BLM-CO-N05-2015-0080-CX
DOI-BLM-CO-N05-2015-0081-CX

Identifying Information

Project Title: WPX's 14 New Wells on the Existing RGU 13-36-198 Well Pad.

Legal Description: T1S R98W Section 36

Applicant: WPX Energy

Casefile/Project Number: COC-60735
COC-77227 (Bargath pipeline ROW)

Conformance with the Land Use Plan

The Proposed Action is subject to and is in conformance (43 CFR 1610.5) with the following land use plan:

Land Use Plan: White River Record of Decision and Approved Resource Management Plan (ROD/RMP)

Date Approved: July 1997

Decision Language: “Make federal oil and gas resources available for leasing and development in a manner that provides reasonable protection for other resource values.” (page 2-5)

“To make public lands available for the siting of public and private facilities through the issuance of applicable land use authorizations, in a manner that provides for reasonable protection of other resource values.” (page 2-49)

Proposed Action

Project Components and General Schedule

WPX Energy (WPX), the operator of the Ryan Gulch unit, is proposing to add an additional fourteen wells to the existing RGU 13-36-198 location on federal surface lands (Figure 1). This location currently has five producing gas wells on the location: Ryan Gulch Unit (RGU) 43-35-198, RGU 343-35-198, RGU 344-35-198, RGU 44-35-198 and the RGU 13-36-198. The proposed new wells are the RGU 312-36-198, RGU 412-36-198, RGU 512-36-198, RGU 413-36-198, RGU 443-35-198, RGU 444-35-198, RGU 414-36-198, RGU 314-36-198, RGU 14-36-198, RGU 513-36-198, RGU 422-36-198, RGU 522-36-198, RGU 24-36-198, and RGU 324-36-198.

The majority of drilling and pipeline construction would take place within the original pad disturbance (which is approximately 4.5 acres). However, the location would be expanded into 2.5 acres of undisturbed area to make room for the cuttings trench and additional separators, corresponding gas line, and tanks (Figure 2). Road and other pipeline infrastructure already exist for the location. A closed loop system would be used for drilling with a dry cuttings trench. During production, one acre would be used as the working pad surface, containing the total 19 wells, separators, and tank battery. The other approximately six acres would be brought to interim reclamation. Drilling would be anticipated to start in the end of 2017 and last approximately six months, with fracking and completion operations to follow in the fall of 2018.

The lease COC-60735 is stipulated with protection for oil shale and a timing limitation from December 1 through April 30 for protection of big game severe winter range. WPX proposes an exception to the timing limitation so the project could proceed at the above schedule.

Design Features

1. All non-County Roads used to access the well will be maintained in their current condition, or better than current condition before operations began. WPX Energy works in cooperation with the county and any other operators regarding maintenance along County Roads with due diligence on dust control and any other maintenance required to access drilling pads. Water application may be implemented if necessary to minimize the amount of fugitive dust.
2. Typical estimated fresh water volumes needed for drilling operations would be approximately 8000 bbls. Estimated water volumes needed for dust control as needed during time of drilling and all other operational phases (construction in this case), would be approximately 5000 bbls. Estimated recycled water required for completion operations (including fracing) would be up to approximately 70,000 bbls per well.
3. WPX will inform all persons who are associated with the project operations that they will be subject to prosecution for disturbing or collecting vertebrate or other scientifically-

important fossils, collecting large amounts of petrified wood (over 25lbs./day, up to 250lbs./year), or collecting fossils for commercial purposes on public lands.

4. If any paleontological resources are discovered as a result of operations under this authorization, WPX and any of its agents will stop work immediately at that site, and the BLM Paleontology Coordinator will be notified immediately. WPX will make every effort to protect the site from further impacts, including looting, erosion, or other human or natural damage. Work may not resume at that location until approved by the AO. The BLM or designated paleontologist will evaluate the discovery and take action to protect or remove the resource within 10 working days. Within 10 days, WPX will be allowed to continue construction through the site, or will be given the choice of either (a) following the Paleontology Coordinator's instructions for stabilizing the fossil resource in place and avoiding further disturbance to the fossil resource, or (b) following the Paleontology Coordinator's instructions for mitigating impacts to the fossil resource prior to continuing construction through the project area.
5. If archaeological materials are discovered as a result of operations under this authorization, activity in the vicinity of the discovery will cease, and the BLM WRFO Archaeologist will be notified immediately. Work may not resume at that location until approved by the AO. WPX will make every effort to protect the site from further impacts including looting, erosion, or other human damage until BLM determines a treatment approach, and the treatment is completed. Unless previously determined in treatment plans or agreements, BLM will evaluate the cultural resources and, in consultation with the State Historic Preservation Office (SHPO), select the appropriate mitigation option within 48 hours of the discovery. WPX, under guidance of the BLM, will implement the mitigation in a timely manner. The process will be fully documented in reports, site forms, maps, drawings, and photographs. The BLM will forward documentation to the SHPO for review and concurrence.
6. Pursuant to 43 CFR 10.4(g), WPX will notify the AO, by telephone and written confirmation, immediately upon discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, pursuant to CFR 10.4(c) and (d), WPX will stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the AO.
7. RGU 13-36-198 will be frac'd remotely from the RGU 23-25-198 frac pad. Three 4.5-inch surface frac lines will run along the existing pipeline ROW and/or road from the RFU 23-25-198 pad to the RGU 13-36-198 pad. Surface lines that need to be installed along an existing pipeline ROW need less than 15' of ROW width. The goal is to stay within one set of tire tracks created when equipment is used to install the line.
8. WPX uses a closed-loop drilling system. Drill cuttings will be stored and buried in the cuttings trench. All cuttings will be tested prior to burial. Testing results or the COGCC pit closure approval will be submitted to BLM prior to burial. If cuttings do not pass COGCC testing requirements then subsequent remediation will have to take place before burial. Frac sand will be managed in accordance with COGCC regulations.

9. The sites are anticipated to be active for up to 35 years. Reclamation/seeding will comply with Federal (BLM) and state (COGCC) regulations.

BLM Required Conditions of Approval to Mitigate Impacts to Cultural and Paleontological Resources

If already committed to by the operator in Design Features or SUPO then removed from the below list.

1. The applicant is responsible for informing all persons who are associated with the project that they will be subject to prosecution for knowingly disturbing archaeological sites or for collecting artifacts.
2. A paleontological monitor will be present to monitor excavation of the cuttings trench before the excavation of the cuttings trench can begin and shall be present until excavation is completed.

Categorical Exclusion Review

The Energy Policy Act of 2005 (P.L. 109-58) prescribed five categorical exclusions (CX) for activities whose purpose is for the exploration of oil or gas.

The Proposed Action qualifies as a categorical exclusion under the Section 390 of the Energy Policy Act, #1: *"Individual surface disturbances of less than five acres so long as the total surface disturbance on the lease is not greater than 150 acres and site-specific analysis in a document prepared pursuant to the NEPA has been previously completed."*

The BLM NEPA Handbook (H-1790-1) provides specific instructions for using this CX.

1. Is surface disturbance associated with the Proposed Action less than five acres?

Yes, most disturbance would be within the original footprint of the pad (approximately 4.5 acres). New surface disturbance would take place on approximately 2.5 acres around the pad. Averaged over the 14 proposed wells, this totals 0.3 acres of re-disturbance, and 0.2 acres of new disturbance, per well.

2. Is there less than 150 acres of surface disturbance, including the Proposed Action, on the entire leasehold?

Yes, acreage for COC-60735 disturbance was calculated using GIS and 2013 NAIP imagery on June 23, 2015 and the total disturbance was calculated at approximately 96 acres, well below the 150-acre limitation.

Is the Proposed Action within the boundaries of an area included in a site-specific NEPA document? (The NEPA document must have analyzed the exploration and/or development of oil and gas (not just leasing) and the action/activity being considered must be within the boundaries of the area analyzed in the environmental assessment (EA) or environmental impact statement (EIS). The NEPA document need not have addressed the specific permit or application being considered.)

Yes, the original site-specific NEPA (DOI-BLM-CO-110-2006-0240-EA) was signed on November 24, 2006 for the 13-36-198 well. The original well pad and access road, plus surrounding 308 meters, was analyzed for impacts from oil and gas development. The proposed frac lines would follow existing pipeline routes that were analyzed in two site-specific NEPA documents (DOI-BLM-CO-110-2005-0172-EA and DOI-BLM-CO-110-2009-105-EA). This proposed action would not extend beyond the boundaries of the previous NEPA analysis.

Interdisciplinary Review

The Proposed Action was presented to, and reviewed by, the White River Field Office interdisciplinary team on June 23, 2015. A complete list of resource specialists who participated in this review is available upon request from the White River Field Office. The table below lists resource specialists who provided additional review or remarks concerning cultural resources and special status species.

Name	Title	Resource	Date
Michael Selle	Archaeologist	Cultural Resources, Native American Religious Concerns	7/2/2015
Ed Hollowed	Wildlife Biologist	Special Status Wildlife Species	7/10/2015
Heather Woodruff	Ecologist	Special Status Plant Species	6/25/2015
Tracy Perfors	Natural Resource Specialist	Project Lead	7/31/2015
Joseph David	Planning and Environmental Coordinator	NEPA Compliance	8/4/2015

Cultural Resources: The proposed project area has been inventoried at the Class III (100 percent pedestrian) level by all or portions of seven project inventories (Conner *et al.* 2005 compliance dated 9/13/2005, Conner and Davenport 2005 compliance dated 7/12/2005, 2006 compliance dated 9/18/2006, 2012 compliance dated 2/22/2012, Greenberg and Kester-Tallman 2006 compliance dated 10/2006, Hauck 2001 compliance dated 6/22/2011, Hadden 1999 compliance dated 4/5/1999). Only one resource, 5RB.8381.1 the Yellow Creek Jeep Trail and Rio Blanco County 83 has been identified in the project area. Consultation with the Colorado State Historic Preservation Office (SHPO) completed on July 7, 2014 concluded that the site does not qualify for listing on the National Register of Historic Places (NRHP) due to its lack of integrity as a result of routine maintenance and having been recently upgraded as a result of development in the area. The surface frac water lines would be temporary in nature and do not involve any new ground disturbance or permanent visual intrusions to cultural resources. No known Historic Properties would be impacted by the proposed project.

Native American Religious Concerns: No Native American religious concerns are known in the area, and none have been noted by Northern Ute Tribal authorities. Should recommended inventories or future consultations with Tribal authorities reveal the existence of such sensitive properties, appropriate mitigation and/or protection measures may be undertaken.

Paleontological Resource Concerns: The proposed project would be located in an area generally mapped as the Uinta Formation (Tweto 1979), which the BLM has categorized as a Potential Fossil Yield Classification (PFYC) 5 formation, meaning it is known to produce scientifically noteworthy fossil resources (c. Armstrong and Wolny 1989). Any excavations into

the underlying sedimentary rock formation to excavate the cuttings trench have the potential to impact scientifically noteworthy fossil resources.

Should any fossils be impacted during excavation of the cuttings trench, it would likely represent a serious loss of paleontological data from the regional paleontological database, even with a monitor present and the expeditious recovery of any identified fossils. These impacts would add cumulatively to the impacted acreage of the Uinta Formation in the White River Field Office. The exact numbers of acres impacted would depend on the size of the cuttings trench, plus any other excavations that might extend into the underlying sedimentary rock formation.

Threatened and Endangered Wildlife Species: The proposed location would be located in a 1960's-vintage woodland chaining, within 150 meters of a paved county road that accesses a nahcolite mine, numerous gas pads, and a gas processing facility. The proposed project would encompass a big game severe winter range, which is subject to imposition of a RMP-approved timing limitation. In November 2009, an agreement was reached by CPW, WPX, and BLM that supports CPW research that is designed to better define deer response to applied BMPs and intense, but spatially confined natural gas development. To provide the necessary contrast in experimental design, gas development projects within a pre-defined area of William's RGU were excepted from big game winter timing limitations through year 2014. The exception area encompasses about 11 percent of the deer severe winter range encompassed by WPX leaseholdings in Piceance Basin, or about one percent of the total severe winter range available within Game Management Unit 22. This project would be within that 7,680-acre exception area. Work had been initiated to extend the agreement for another three year interval, but coordination stalled with the downturn in development activity in 2015. Exceptions to severe winter range timing limitations would be considered by BLM in concert with CPW under circumstances at the time development activity resumes.

Given that development of each of the proposed wells would result in the depletion of approximately 9.2 acre-feet of water from the Colorado River basin, this project falls under BLM Colorado's 2008 Programmatic Biological Assessment (PBA) for water depleting activities associated with BLM's fluid minerals program in the Colorado River basin in Colorado.

In response to BLM's PBA, the U. S. Fish and Wildlife Service (FWS) issued a Programmatic Biological Opinion (PBO)(ES/GJ-6-CO-08-F-0006) on December 19, 2008, which concurred with BLM's determination that water depletions are "Likely to Adversely Affect" the Colorado pikeminnow, humpback chub, bonytail, and razorback sucker. Likewise, the project is also likely to adversely affect designated critical habitats for these endangered fish along the Green, Yampa, White, Colorado, and Gunnison rivers. However, the FWS also determined that BLM water depletions from the Colorado River Basin are not likely to jeopardize the continued existence of the Colorado pikeminnow, humpback chub, bonytail, or razorback sucker, and that BLM water depletions are not likely to destroy or adversely modify designated critical habitat.

A Recovery Implementation Program for Endangered Fish Species in the Upper Colorado River Basin was initiated in January 1988. The Recovery Program serves as the reasonable and prudent alternative to avoid jeopardy and aid in recovery efforts for these endangered fishes resulting from water depletions from the Colorado River Basin. The PBO addresses water depletions associated with fluid minerals development on BLM lands, including water used for well

drilling, hydrostatic testing of pipelines, and dust abatement on roads. The PBO includes reasonable and prudent alternatives developed by the FWS, which allow BLM to authorize oil and gas wells that result in water depletion while avoiding the likelihood of jeopardy to the endangered fishes and avoiding destruction or adverse modification of their critical habitat. As a reasonable and prudent alternative in the PBO, FWS authorized BLM to solicit a one-time monetary contribution to the Recovery Implementation Program for Endangered Fish Species in the Upper Colorado River Basin (Recovery Program) in the amount equal to the average annual acre-feet depleted by fluid minerals activities on BLM lands. As a means of accurately monitoring and reporting water use attributable to ongoing fluid mineral development, it is important that BLM be apprised of water volumes and their source (e.g., imported fresh, production, or recycled) for individual wells. These values will be entered into the WRFO fluid minerals water depletion log, which will be submitted to the Colorado State Office at the end of the Fiscal Year.

Threatened and Endangered Plant Species: There are no special status plant species issues or concerns associated with the Proposed Action.

References cited:

Armstrong, Harley J. and David G. Wolny

- 1989 Paleontological Resources of Northwest Colorado: A Regional Analysis. Museum of Western Colorado, Grand Junction, Colorado.

Conner, Carl E., Barbara Davenport, Dana Archuleta, and Jim Conner

- 2005 Class III Cultural Resources Inventory Report for Seven Proposed Pipeline ROWs in Rio Blanco County, Colorado for Bargath Inc. Grand River Institute, Grand Junction, Colorado. (05-11-27: OAH # RB.LM.R919).

Conner, Carl E., and Barbara J. Davenport

- 2005 Class III Cultural Resource Inventory Report for Sex Proposed Reroutes of the EnCana Meeker, Pipeline in Rio Blanco County, Colorado for Trigon EPC. Grand River Institute, Grand Junction, Colorado. (05 -11-10: OAH # RB.LM.R830)

Conner, Carl E., and Barbara J. Davenport

- 2006 Class III Cultural Resource Inventory Report for Seven Proposed Ryan Gulch Well Locations and Related Access Routes in Rio Blanco County, Colorado for Williams Production RMT. Grand River Institute, Grand Junction, Colorado. (06-11-39: OAH # RB.LM.R1029)

Conner, Carl E. and Barbara Davenport

- 2012 Class III Cultural Resources Inventory Report for the Proposed McBryde to Black Sulphur Power Line (~8.9 miles) in Rio Blanco County, Colorado, for White River Electric Association. Grand River Institute, Grand Junction, Colorado (12-11-31: OAH # RB.LM.31301)

Greenberg, Marc E., and Christina Kester-Tallman

- 2006 Class III Cultural Resource Survey of the Meeker Lateral Pipeline, Rio Blanco and Garfield Counties, Colorado. Cultural Resources Analysts, Inc., Longmont, Colorado. (06-162-06: OAH # MC.LM.R620)

Hadden, Glade V.

- 1999 Cultural Resource Inventory of the Proposed Yellow Creek Pipeline Reconstruction Project in Rio Blanco County, Colorado. Bureau of Land Management, White River Field Office, Meeker, Colorado. (99-10-03: OAH # RB.LM.NR1052)

Hauck, F. Richard

- 2001 Cultural Resource Evaluation of 11 Proposed Mallard Well Locations &(sic) Associated Pipeline/Access Corridors in the Piceance Creek Locality of Rio Blanco County, Colorado. Archeological-Environmental Research Corporations, Bountiful, Utah. (01-38-08: OAH # RB.LM.R441)

Tweto, Ogden

- 1979 Geologic Map of Colorado. United States Geologic Survey, Department of the Interior, Reston, Virginia.

WestWater Engineering (WestWater).

- 2015 Biological Survey Report WPX Energy RGU 13-36-198 Well Pad. Report Prepared for WPX Energy and White River BLM Field Office. 2015. Grand Junction, Colorado.

Mitigation

1. WPX will comply with all Federal, State and/or local laws, rules, regulations, statutes, standards and implementation plans. This includes, but is not limited to, Onshore Orders, Surface Use Plans, State and Rio Blanco County permits.
2. WPX must effectively coordinate with existing facility ROW holders.
3. Prior to disturbance, mapped Diffuse knapweed (*Centaurea diffusa*) and common mullein (*Verbascum thapsus*) individuals that were mapped in 2015 must be promptly controlled, using methods and materials approved by the BLM AO.
4. Application of herbicides must comply with the *Vegetation Treatments on Bureau of Land Management Lands in 17 Western States Programmatic Environmental Impact Statement* (EIS), and the WRFO Integrated Weed Management Plan (DOI-BLM-CO-110-2010-0005-EA).
5. Pesticide Use Proposals (PUPs) must be submitted to and approved by the BLM before applying herbicides on BLM lands. The PUP will include target weed species, the herbicides to be used, application rates and timeframes, estimated acres to be treated, as well as maps depicting the areas to be treated and known locations of weeds. The WRFO

recommends that all PUPs be submitted no later than March 1st of the year anticipating herbicide application.

6. All equipment that may act as a vector for weeds will be cleaned before entering the project area.
7. All seed, straw, mulch, or other vegetative material to be used on BLM lands will comply with United States Department of Agriculture (USDA) state noxious weed seed requirements and must be certified by a qualified Federal, State, or county office as free of noxious weeds. Any seed lot with test results showing presence of State of Colorado A or B list species will be rejected in its entirety and a new tested lot will be used instead. All areas identified to be disturbed under this proposal will be monitored and treated for noxious weeds on an annual basis for the life of the project until Final Abandonment has been approved by the Authorized Officer.
8. For reclamation, the BLM recommends Seed Mix #3 outlined below. It is recommended that seeding occur between September 1 and March 31. If an alternate date of seeding is requested, contact the designated Natural Resource Specialist prior to seeding for approval. Drill seeding is the preferred method of application and drill seeding depth must be no greater than ½ inch. If drill seeding cannot be accomplished, seed should be broadcast at double the rate used for drill seeding, and harrowed into the soil. Final reclamation will be completed using the reclamation practices and seed mixes recommended at that time.

Recommended Seed Mix 3 for Interim Reclamation of the 13-36-198 well pad.

Cultivar	Common Name	Scientific Name	Application Rate (lbs PLS/acre)
Rosana	Western Wheatgrass	<i>Pascopyrum smithii</i>	4
Whitmar	Bluebunch Wheatgrass	<i>Pseudoroegneria spicata</i> ssp. <i>inermis</i>	3.5
Rimrock	Indian Ricegrass	<i>Achnatherum hymenoides</i>	3
	Needle and Thread Grass	<i>Hesperostipa comata</i> ssp. <i>comata</i>	2.5
Maple Grove	Lewis Flax	<i>Linum lewisii</i>	1
	Scarlet Globemallow	<i>Sphaeralcea coccinea</i>	0.5

9. To reduce erosion and reduce the risk of weed establishment, interim reclamation will be initiated when either there are no drilling activities expected on the pad for the next six months or there has been no activity on the pad within the last six months, regardless of whether or not there are outstanding approved APDs.
10. All seed tags will be submitted via Sundry Notice (SN) to the designated Natural Resource Specialist within 14 calendar days from the time the seeding activities have ended. The SN will include the purpose of the seeding activity (i.e., seeding well pad, cut and fill slopes, seeding pipeline corridor, etc.). In addition, the SN will include the well or

well pad number associated with the seeding activity, if applicable, the name of the contractor that performed the work, his/her phone number, the method used to apply the seed (e.g., broadcast, hydro-seeded, drilled), whether the seeding activity represents interim or final reclamation, the total acres seeded, an attached map that clearly identifies all disturbed areas that were seeded, and the date the seed was applied.

11. Each year by January 1st, WPX will submit a Reclamation Status Report to the WRFO that includes the well number, API number, legal description, UTM coordinates, project description (e.g., well pad, pipeline, etc.), reclamation status (e.g., interim or final), whether the well pad and/or pipeline has been re-vegetated and/or re-contoured, date seeded, photos of the reclaimed site, acres seeded, seeding method (e.g., broadcast, drilled, hydro-seeded, etc.), and contact information for the person responsible for developing the report. The report will include maps showing each point (i.e., well pad), polygon, and/or polyline (i.e., pipeline) feature that was included in the report. The data must be submitted in UTM Zone 13N, NAD 83, in units of meters. In addition, scanned copies of seed tags that accompanied the seed bags will be included with the report. Internal and external review of the WRFO Reclamation Status Report and the process used to acquire the necessary information will be conducted annually, and new information or changes in the reporting process will be incorporated into the report.
12. The operator will meet the following reclamation success criteria, for both interim and final reclamation:
 - a) Self-sustaining desirable vegetative groundcover consistent with the site Desired Plant Community (DPC) (as defined by the range site, WRFO Assessment, Inventory, and Monitoring (AIM) protocol site data (BLM TN 440), ecological site or an associated approved reference site) is adequately established, as described below, on disturbed surfaces to stabilize soils through the life of the project.
 - b) Vegetation with 80 percent similarity of desired foliar cover, bare ground, and shrub and/or forb density, in relation to the identified DPC. Vegetative cover values for woodland or shrubland sites are based on the capability of those sites in an herbaceous state.
 - c) The resulting plant community must have composition of at least five desirable plant species, and no one species may exceed 70 percent relative cover, to ensure that site species diversity is achieved. Desirable species may include native species from the surrounding site, species listed in the range/ecological site description, AIM data, reference site, or species from the BLM approved seed mix. If non-prescribed or unauthorized plant species (e.g., yellow sweetclover, *Melilotus officinalis*) appear in the reclamation site, BLM may require their removal.
 - d) Bare ground does not exceed the AIM data, range site description, or if not described, bare ground will not exceed that of a representative undisturbed DPC meeting the Colorado Public Land Health Standards.
13. The proposed action is encompassed by big game severe winter range. No development activity associated with the Proposed Action is authorized from December 1 through April 30. The operator will understand that the proposed action must not extend into the timing limitation without prior written approval from the BLM for an exception.
14. The Operator will submit a sundry notice via WIS a minimum of 48-hours prior to commencing construction and/or reclamation work.

15. Air Emissions. Pursuant to BLM Instruction Memorandum No. CO-2015-009 issued on February 9, 2015, prior to beginning construction, the operator will either voluntarily submit an emissions inventory to the BLM using the online Emissions Tool, or provide the necessary data for the BLM to complete an emissions inventory. The BLM may direct the operator to implement appropriate mitigation measure(s) if the emissions inventory results indicate a threshold exceedance of any single criteria pollutant (PM10, PM2.5, CO, NOx, SOx).
16. Frac sands will be managed in accordance with COGCC regulations. Operator will submit to BLM, by Sundry, the testing results and/or COGCC approval of frac sand burial prior to burial. If frac sand is hauled to a 3rd Party Disposal site, operator will submit, by Sundry, to BLM the name and location of the disposal site.
17. Changes to stormwater BMPs (not as described in SUPO) will be submitted by sundry notice with its as built documentation within 30 days of construction completion, so long as the changes do not exceed the original approved area of disturbance.
18. Prior to beginning drilling operations, the operator will submit, by Sundry Notice, a description of the backflow preventer or other method used to protect water quality at diversion sites in the Piceance Creek watershed and a description of the point(s) of diversion for industrial water rights used for freshwater supply from the Piceance Creek watershed.
19. As a reasonable and prudent lessee/operator in the oil and gas industry, acting in good faith, all lessees/operators and right-of-way holders will report all emissions or releases that may pose a risk of harm to human health or the environment, regardless of a substance's status as exempt or nonexempt and regardless of fault, to the BLM WRFO (970) 878-3800.
20. As a reasonable and prudent lessees/operator and/or right-of-way holder in the oil and gas industry, acting in good faith, all lessees/operators and right-of-way holders will provide for the immediate clean-up and testing of air, water (surface and/or ground) and soils contaminated by the emission or release of any substance that may pose a risk of harm to human health or the environment, regardless of that substance's status as exempt or non-exempt. Where the lessee/operator or right-of-way holder fails, refuses or neglects to provide for the immediate clean-up and testing of air, water (surface and/or ground) and soils contaminated by the emission or release of any quantity of a substance that poses a risk of harm to human health or the environment, the BLM WRFO may take measures to clean-up and test air, water (surface and/or ground) and soils at the lessee/operator's expense. Such action will not relieve the lessee/operator of any liability or responsibility.
21. If off-site materials (including gravel) are used during construction, WPX will submit to BLM a Sundry stating the quarter-quarter, Section, Township, and Range location information of the source materials, as well as the type of materials used.

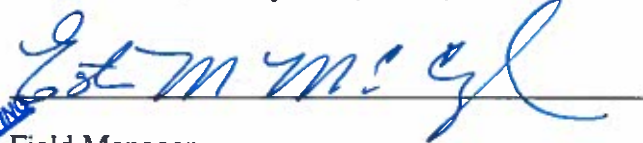
22. When working on lands administered by the WRFO, notify Craig Interagency Dispatch (970-826-5037) in the event of any fire.
- a. The reporting party will inform the dispatch center of fire location, size, status, smoke color, aspect, fuel type, and provide their contact information.
 - b. The reporting party, or a representative of, will remain nearby, in a safe location, in order to make contact with incoming fire resources, to expedite actions taken towards an appropriate management response.
 - c. The applicant and contractors will not engage in any fire suppression activities outside the approved project area. Accidental ignitions caused by welding, cutting, grinding, etc. will be suppressed by the applicant, only if employee safety is not endangered and if the fire can be safely contained using hand tools and portable hand pumps. If chemical fire extinguishers are used, the applicant must notify incoming fire resources on extinguisher type and the location of use.
 - d. Natural ignitions caused by lightning will be managed by federal fire personnel. If a natural ignition occurs within the approved project area, the fire may be initially contained by the applicant, only if employee safety is not endangered. The use of heavy equipment for fire suppression is prohibited, unless authorized by the Field Office Manager.
23. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed must be approved in advance via Sundry Notice (Form 3160-5).
24. In the event a producing well is established, all new production equipment which has open-vent exhaust systems, such as heater treaters, separators, dehydration units, and flare stacks, will be designed and constructed to prevent birds and bats from entering or nesting in or on such units, and to the extent practical, to discourage birds from perching on the exhaust stacks.

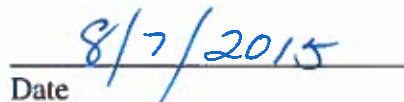
Tribes, Individuals, Organizations, or Agencies Consulted

Colorado SHPO: 4/5/1999, 6/22/2001, 7/12/2005, 9/13/2005, 9/22/2006, 2/15/2011, 10/1/2012

Compliance with NEPA

The Proposed Action is categorically excluded from further documentation under the National Environmental Policy Act (NEPA) in accordance with Section 390 of the Energy Policy of 2005.


Field Manager


Date

Appendix A - Figures

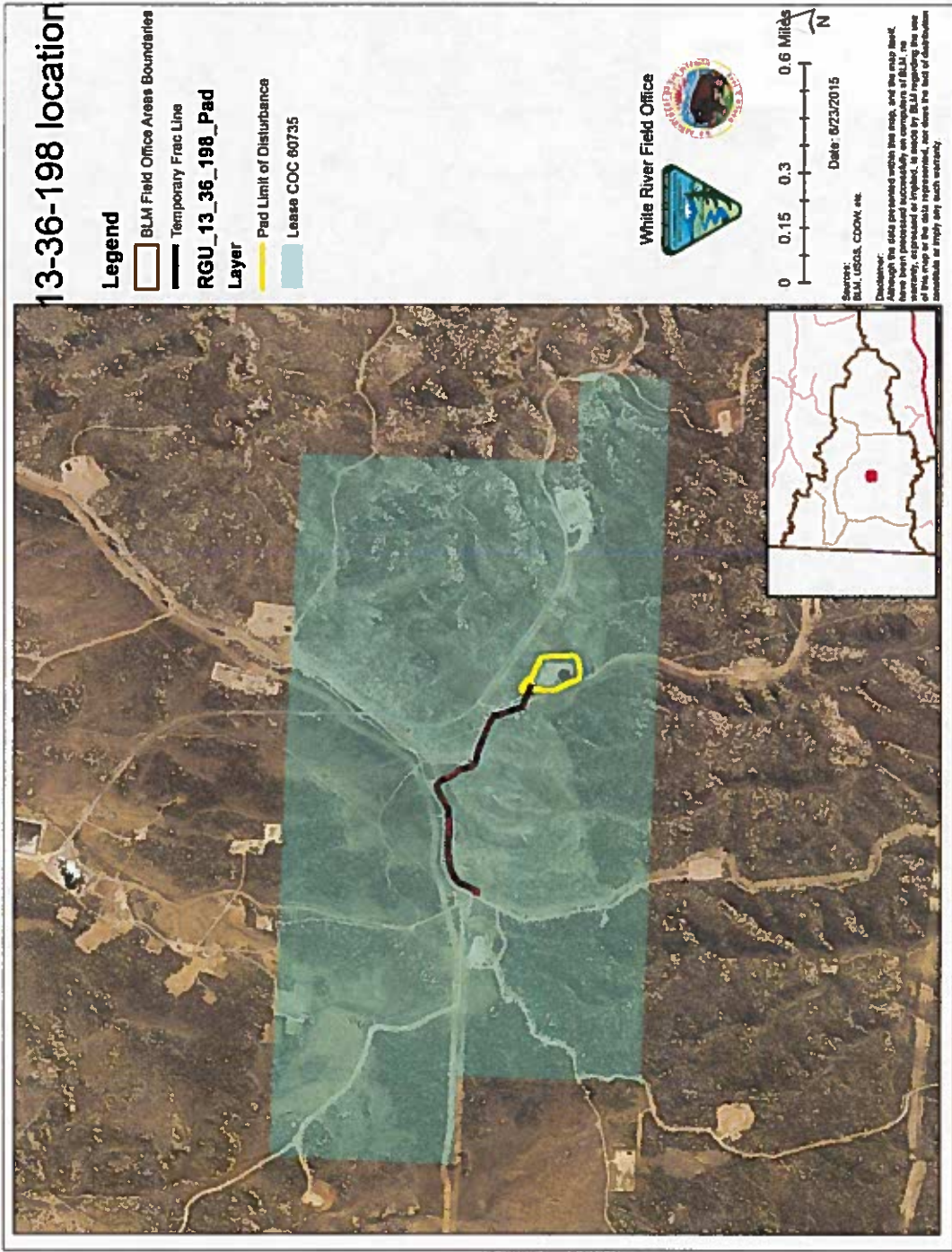


Figure 1. Map depicting location and Lease COC 60735.

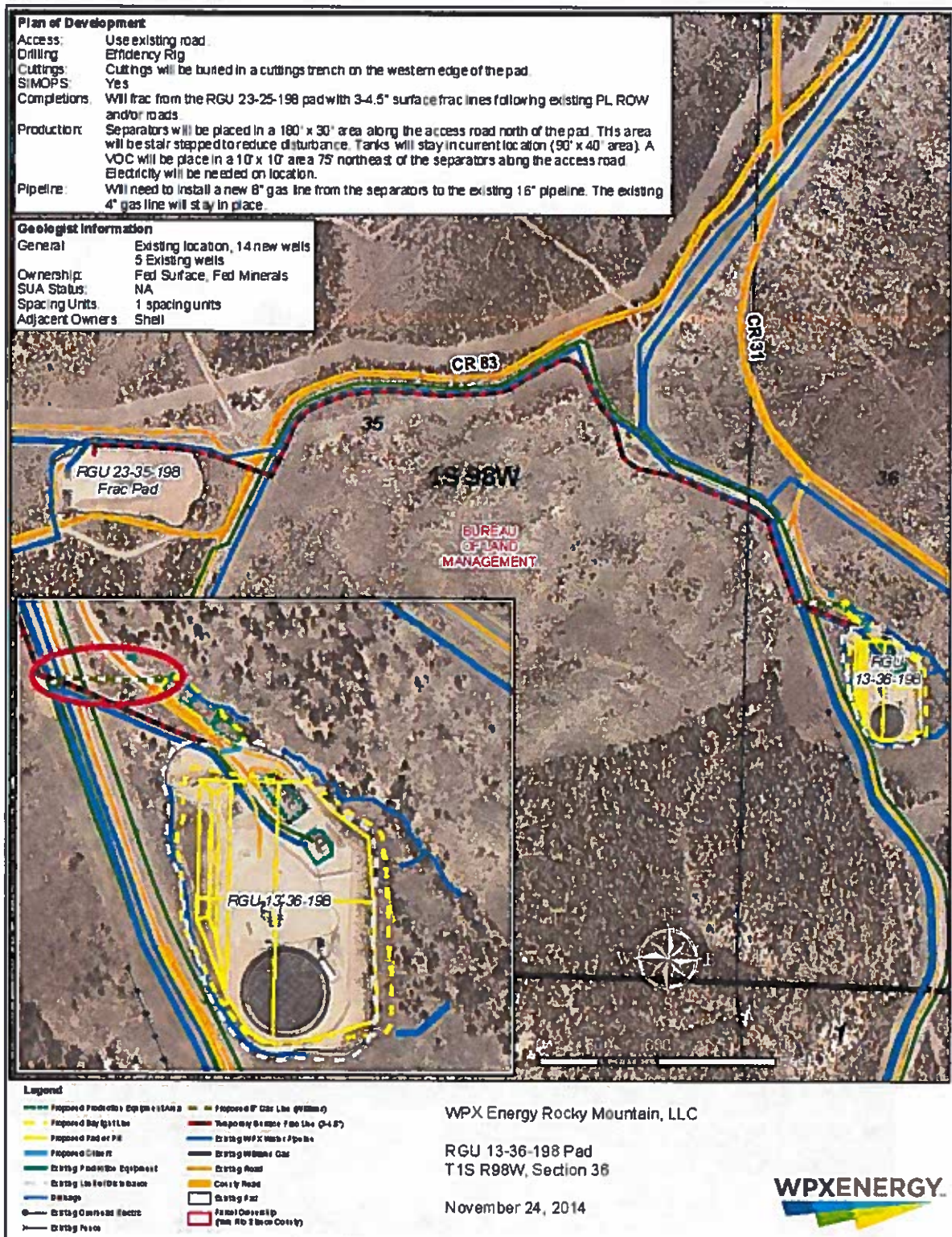


Figure 2. Diagram depicting 13-36-198 drilling and production areas.

**U.S. Department of the Interior
Bureau of Land Management
White River Field Office
220 E Market St
Meeker, CO 81641**

DECISION RECORD

WPX's 14 New Wells on the Existing RGU 13-36-198 Well Pad

**DOI-BLM-CO-N05-2015-0068-CX
DOI-BLM-CO-N05-2015-0069-CX
DOI-BLM-CO-N05-2015-0070-CX
DOI-BLM-CO-N05-2015-0071-CX
DOI-BLM-CO-N05-2015-0072-CX
DOI-BLM-CO-N05-2015-0073-CX
DOI-BLM-CO-N05-2015-0074-CX
DOI-BLM-CO-N05-2015-0075-CX
DOI-BLM-CO-N05-2015-0076-CX
DOI-BLM-CO-N05-2015-0077-CX
DOI-BLM-CO-N05-2015-0078-CX
DOI-BLM-CO-N05-2015-0079-CX
DOI-BLM-CO-N05-2015-0080-CX
DOI-BLM-CO-N05-2015-0081-CX**

Decision

It is my decision to implement the Proposed Action, as described in contiguous-numbered categorical exclusions DOI-BLM-CO-N05-2015-0068-CX through the DOI-BLM-CO-N05-2015-0081-CX, authorizing, the construction, operation, and maintenance of the fourteen additional wells to be drilled on WPX's 13-36-198 location.

Applicant Committed Design Features

1. All non-County Roads used to access the well will be maintained in their current condition or better than before operations began. WPX Energy works in cooperation with the county and any other operators regarding maintenance along County Roads with due diligence on dust control and any other maintenance required to access drilling pads. Water application may be implemented if necessary to minimize the amount of fugitive dust.
2. Typical estimated fresh water volumes needed for drilling operations would be approximately 8000 bbls. Estimated water volumes needed for dust control as needed during time of drilling and all other operational phases, construction in this case, would be approximately 5000 bbls. Estimated recycled water required for completion operations (including fracing) would be up to approximately 70,000 bbls per well.

3. WPX will inform all persons who are associated with the project operations that they will be subject to prosecution for disturbing or collecting vertebrate or other scientifically-important fossils, collecting large amounts of petrified wood (over 25lbs./day, up to 250lbs./year), or collecting fossils for commercial purposes on public lands.
4. If any paleontological resources are discovered as a result of operations under this authorization, WPX and any of its agents will stop work immediately at that site, and the BLM Paleontology Coordinator will be notified immediately. WPX will make every effort to protect the site from further impacts, including looting, erosion, or other human or natural damage. Work may not resume at that location until approved by the AO. The BLM or designated paleontologist will evaluate the discovery and take action to protect or remove the resource within 10 working days. Within 10 days, WPX will be allowed to continue construction through the site, or will be given the choice of either (a) following the Paleontology Coordinator's instructions for stabilizing the fossil resource in place and avoiding further disturbance to the fossil resource, or (b) following the Paleontology Coordinator's instructions for mitigating impacts to the fossil resource prior to continuing construction through the project area.
5. If archaeological materials are discovered as a result of operations under this authorization, activity in the vicinity of the discovery will cease, and the BLM WRFO Archaeologist will be notified immediately. Work may not resume at that location until approved by the AO. WPX will make every effort to protect the site from further impacts including looting, erosion, or other human damage until BLM determines a treatment approach, and the treatment is completed. Unless previously determined in treatment plans or agreements, BLM will evaluate the cultural resources and, in consultation with the State Historic Preservation Office (SHPO), select the appropriate mitigation option within 48 hours of the discovery. WPX, under guidance of the BLM, will implement the mitigation in a timely manner. The process will be fully documented in reports, site forms, maps, drawings, and photographs. The BLM will forward documentation to the SHPO for review and concurrence.
6. Pursuant to 43 CFR 10.4(g), WPX will notify the AO, by telephone and written confirmation, immediately upon discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, pursuant to CFR 10.4(c) and (d), WPX will stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the AO.
7. RGU 13-36-198 will be frac'd remotely from the RGU 23-25-198 frac pad. Three 4.5" surface frac lines will run along the existing pipeline ROW and/or road from the RFU 23-25-198 pad to the RGU 13-36-198 pad. Surface lines that need to be installed along an existing pipeline ROW need less than 15' of ROW width. The goal is to stay within one set of tire tracks created when equipment is used to install the line.
8. WPX uses a closed-loop drilling system. Drill cuttings will be stored and buried in the cuttings trench. All cuttings will be tested prior to burial. Testing results or the COGCC pit closure approval will be submitted to BLM prior to burial. If cuttings do not pass

COGCC testing requirements then subsequent remediation will have to take place before burial. Frac sand will be managed in accordance with COGCC regulations.

9. The sites are anticipated to be active for up to 35 years. Reclamation/seeding will comply with federal (BLM) and state (COGCC) regulations.

BLM Required Conditions of Approval to Mitigate Impacts to Cultural and Paleontological Resources

If already committed to by the operator in Design Features or SUPO then removed from the below list.

1. The applicant is responsible for informing all persons who are associated with the project that they will be subject to prosecution for knowingly disturbing archaeological sites or for collecting artifacts.
2. A paleontological monitor shall be present to monitor excavation of the cuttings trench before the excavation of the cuttings trench can begin and shall be present until excavation is completed.

Mitigation Measures

1. WPX will comply with all Federal, State and/or local laws, rules, regulations, statutes, standards and implementation plans. This includes, but is not limited to, Onshore Orders, Surface Use Plans, State and Rio Blanco County permits.
2. WPX must effectively coordinate with existing facility ROW holders.
3. Prior to disturbance, mapped Diffuse knapweed (*Centaurea diffusa*) and common mullein (*Verbascum thapsus*) individuals that were mapped in 2015 must be promptly controlled, using methods and materials approved by the BLM AO.
4. Application of herbicides must comply with the *Vegetation Treatments on Bureau of Land Management Lands in 17 Western States Programmatic Environmental Impact Statement* (EIS), and the WRFO Integrated Weed Management Plan (DOI-BLM-CO-110-2010-0005-EA).
5. Pesticide Use Proposals (PUPs) must be submitted to and approved by the BLM before applying herbicides on BLM lands. The PUP will include target weed species, the herbicides to be used, application rates and timeframes, estimated acres to be treated, as well as maps depicting the areas to be treated and known locations of weeds. The WRFO recommends that all PUPs be submitted no later than March 1st of the year anticipating herbicide application.
6. All equipment that may act as a vector for weeds will be cleaned before entering the project area.
7. All seed, straw, mulch, or other vegetative material to be used on BLM lands will comply with United States Department of Agriculture (USDA) state noxious weed seed requirements and must be certified by a qualified Federal, State, or county office as free

of noxious weeds. Any seed lot with test results showing presence of State of Colorado A or B list species will be rejected in its entirety and a new tested lot will be used instead. All areas identified to be disturbed under this proposal will be monitored and treated for noxious weeds on an annual basis for the life of the project until Final Abandonment has been approved by the Authorized Officer.

8. For reclamation, the BLM recommends Seed Mix #3 outlined below. It is recommended that seeding occur between September 1 and March 31. If an alternate date of seeding is requested, contact the designated Natural Resource Specialist prior to seeding for approval. Drill seeding is the preferred method of application and drill seeding depth must be no greater than ½ inch. If drill seeding cannot be accomplished, seed should be broadcast at double the rate used for drill seeding, and harrowed into the soil. Final reclamation will be completed using the reclamation practices and seed mixes recommended at that time.

Recommended Seed Mix 3 for Interim Reclamation of the 13-36-198 well pad.

Cultivar	Common Name	Scientific Name	Application Rate (lbs PLS/acre)
Rosana	Western Wheatgrass	<i>Pascopyrum smithii</i>	4
Whitmar	Bluebunch Wheatgrass	<i>Pseudoroegneria spicata</i> ssp. <i>inermis</i>	3.5
Rimrock	Indian Ricegrass	<i>Achnatherum hymenoides</i>	3
	Needle and Thread Grass	<i>Hesperostipa comata</i> ssp. <i>comata</i>	2.5
Maple Grove	Lewis Flax	<i>Linum lewisii</i>	1
	Scarlet Globemallow	<i>Sphaeralcea coccinea</i>	0.5

9. To reduce erosion and reduce the risk of weed establishment, interim reclamation will be initiated when either there are no drilling activities expected on the pad for the next six months or there has been no activity on the pad within the last six months, regardless of whether or not there are outstanding approved APDs.
10. All seed tags will be submitted via Sundry Notice (SN) to the designated Natural Resource Specialist within 14 calendar days from the time the seeding activities have ended. The SN will include the purpose of the seeding activity (i.e., seeding well pad, cut and fill slopes, seeding pipeline corridor, etc.). In addition, the SN will include the well or well pad number associated with the seeding activity, if applicable, the name of the contractor that performed the work, his/her phone number, the method used to apply the seed (e.g., broadcast, hydro-seeded, drilled), whether the seeding activity represents interim or final reclamation, the total acres seeded, an attached map that clearly identifies all disturbed areas that were seeded, and the date the seed was applied.
11. Each year by January 1st, WPX will submit a Reclamation Status Report to the WRFO that includes the well number, API number, legal description, UTM coordinates, project description (e.g., well pad, pipeline, etc.), reclamation status (e.g., interim or final), whether the well pad and/or pipeline has been re-vegetated and/or re-contoured, date

seeded, photos of the reclaimed site, acres seeded, seeding method (e.g., broadcast, drilled, hydro-seeded, etc.), and contact information for the person responsible for developing the report. The report will include maps showing each point (i.e., well pad), polygon, and/or polyline (i.e., pipeline) feature that was included in the report. The data must be submitted in UTM Zone 13N, NAD 83, in units of meters. In addition, scanned copies of seed tags that accompanied the seed bags will be included with the report. Internal and external review of the WRFO Reclamation Status Report and the process used to acquire the necessary information will be conducted annually, and new information or changes in the reporting process will be incorporated into the report.

12. The operator will meet the following reclamation success criteria, for both interim and final reclamation:
 - a) Self-sustaining desirable vegetative groundcover consistent with the site Desired Plant Community (DPC) (as defined by the range site, WRFO Assessment, Inventory, and Monitoring (AIM) protocol site data (BLM TN 440), ecological site or an associated approved reference site) is adequately established, as described below, on disturbed surfaces to stabilize soils through the life of the project.
 - b) Vegetation with 80 percent similarity of desired foliar cover, bare ground, and shrub and/or forb density, in relation to the identified DPC. Vegetative cover values for woodland or shrubland sites are based on the capability of those sites in an herbaceous state.
 - c) The resulting plant community must have composition of at least five desirable plant species, and no one species may exceed 70 percent relative cover, to ensure that site species diversity is achieved. Desirable species may include native species from the surrounding site, species listed in the range/ecological site description, AIM data, reference site, or species from the BLM approved seed mix. If non-prescribed or unauthorized plant species (e.g., yellow sweetclover, *Melilotus officinalis*) appear in the reclamation site, BLM may require their removal.
 - d) Bare ground does not exceed the AIM data, range site description, or if not described, bare ground will not exceed that of a representative undisturbed DPC meeting the Colorado Public Land Health Standards.
13. The proposed action is encompassed by big game severe winter range. No development activity associated with the Proposed Action is authorized from December 1 through April 30. The operator will understand that the proposed action must not extend into the timing limitation without prior written approval from the BLM for an exception.
14. The Operator will submit a sundry notice via WIS a minimum of 48-hours prior to commencing construction and/or reclamation work.
15. Air Emissions. Pursuant to BLM Instruction Memorandum No. CO-2015-009 issued on February 9, 2015, prior to beginning construction, the operator will either voluntarily submit an emissions inventory to the BLM using the online Emissions Tool, or provide the necessary data for the BLM to complete an emissions inventory. The BLM may direct the operator to implement appropriate mitigation measure(s) if the emissions inventory results indicate a threshold exceedance of any single criteria pollutant (PM10, PM2.5, CO, NOx, SOx).

16. Frac sands will be managed in accordance with COGCC regulations. Operator will submit to BLM, by Sundry, the testing results and/or COGCC approval of frac sand burial prior to burial. If frac sand is hauled to a 3rd Party Disposal site, operator will submit, by Sundry, to BLM the name and location of the disposal site.
17. Changes to stormwater BMPs (not as described in SUPO) will be submitted by sundry notice with its as built documentation within 30 days of construction completion, so long as the changes do not exceed the original approved area of disturbance.
18. Prior to beginning drilling operations, the operator will submit, by Sundry Notice, a description of the backflow preventer or other method used to protect water quality at diversion sites in the Piceance Creek watershed and a description of the point(s) of diversion for industrial water rights used for freshwater supply from the Piceance Creek watershed.
19. As a reasonable and prudent lessee/operator in the oil and gas industry, acting in good faith, all lessees/operators and right-of-way holders will report all emissions or releases that may pose a risk of harm to human health or the environment, regardless of a substance's status as exempt or nonexempt and regardless of fault, to the BLM WRFO (970) 878-3800.
20. As a reasonable and prudent lessees/operator and/or right-of-way holder in the oil and gas industry, acting in good faith, all lessees/operators and right-of-way holders will provide for the immediate clean-up and testing of air, water (surface and/or ground) and soils contaminated by the emission or release of any substance that may pose a risk of harm to human health or the environment, regardless of that substance's status as exempt or non-exempt. Where the lessee/operator or right-of-way holder fails, refuses or neglects to provide for the immediate clean-up and testing of air, water (surface and/or ground) and soils contaminated by the emission or release of any quantity of a substance that poses a risk of harm to human health or the environment, the BLM WRFO may take measures to clean-up and test air, water (surface and/or ground) and soils at the lessee/operator's expense. Such action will not relieve the lessee/operator of any liability or responsibility.
21. If off-site materials (including gravel) are used during construction, WPX will submit to BLM a Sundry stating the quarter-quarter, Section, Township, and Range location information of the source materials, as well as the type of materials used.
22. When working on lands administered by the WRFO, notify Craig Interagency Dispatch (970-826-5037) in the event of any fire.
 - a. The reporting party will inform the dispatch center of fire location, size, status, smoke color, aspect, fuel type, and provide their contact information.
 - b. The reporting party, or a representative of, will remain nearby, in a safe location, in order to make contact with incoming fire resources, to expedite actions taken towards an appropriate management response.
 - c. The applicant and contractors will not engage in any fire suppression activities outside the approved project area. Accidental ignitions caused by welding, cutting, grinding, etc. will be suppressed by the applicant, only if employee safety

is not endangered and if the fire can be safely contained using hand tools and portable hand pumps. If chemical fire extinguishers are used, the applicant must notify incoming fire resources on extinguisher type and the location of use.

- d. Natural ignitions caused by lightning will be managed by federal fire personnel. If a natural ignition occurs within the approved project area, the fire may be initially contained by the applicant, only if employee safety is not endangered. The use of heavy equipment for fire suppression is prohibited, unless authorized by the Field Office Manager.

23. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed must be approved in advance via Sundry Notice (Form 3160-5).

24. In the event a producing well is established, all new production equipment which has open-vent exhaust systems, such as heater treaters, separators, dehydration units, and flare stacks, will be designed and constructed to prevent birds and bats from entering or nesting in or on such units, and to the extent practical, to discourage birds from perching on the exhaust stacks.

Compliance with Laws & Conformance with the Land Use Plan

This decision is in compliance with the Endangered Species Act and the National Historic Preservation Act. It is also in conformance with the 1997 White River Record of Decision/Approved Resource Management Plan.

Public Involvement

This project was posted on the WRFO's on-line National Environmental Policy Act (NEPA) register on June 23, 2015. As of August 6, 2015, no comments or inquiries have been received.

Rationale

The Proposed Action is categorically excluded from further documentation under the National Environmental Policy Act (NEPA) in accordance with Section 390 of the Energy Policy of 2005. In approving these fourteen wells to be drilled on this existing pad (currently five producing wells), it potentially would allow for the resources to be utilized without the disturbance of multiple other pads.

Monitoring and Compliance

On-going compliance inspections and monitoring of drilling, production, and post-production activities will be conducted by White River Field Office staff during construction of well pads, access roads, and pipelines. Specific mitigation developed in the associated Categorical Exclusion and the lease terms and conditions will be followed. The Operator will be notified of compliance related issues in writing, and depending on the nature of the issue(s), will be provided 30 days to resolve such issues.

Administrative Remedies

There are different administrative remedy processes for authorizations issued under the authority of 43 CFR 3100 (on-lease oil and gas development) or 43 CFR 2800 (rights-of-way).

On-Lease Oil and Gas Development

State Director Review

Under regulations addressed in 43 CFR 3165.3(b), any adversely affected party that contests a decision of the Authorized Officer may request an administrative review, before the State Director, either with or without oral presentation. Such request, including all supporting documentation, shall be filed in writing with the BLM Colorado State Office at 2850 Youngfield Street, Lakewood, Colorado 80215 within 20 business days of the date such decision was received or considered to have been received. Upon request and showing of good cause, an extension may be granted by the State Director. Such review shall include all factors or circumstances relevant to the particular case.

Appeal

Any party who is adversely affected by the decision of the State Director after State Director review, under 43 CFR 3165.3(b), of a decision may appeal that decision to the Interior Board of Land Appeals pursuant to the regulations set out in 43 CFR Part 4.

Right-of-way COC-77227

This decision shall take effect immediately upon the date it is signed by the Authorized Officer and shall remain in effect while any appeal is pending unless the Interior Board of Land Appeals issues a stay (43 CFR 2801.10(b)). Any appeal of this decision must follow the procedures set forth in 43 CFR Part 4. Within 30 days of the decision, a Notice of Appeal must be filed in the office of the Authorized Officer at White River Field Office, 220 East Market St., Meeker, CO 81641 with copies sent to the Regional Solicitor, Rocky Mountain Region, 755 Parfet St., Suite 151, Lakewood, CO 80215, and to the Department of the Interior, Board of Land Appeals, 801 North Quincy St., MS300-QC, Arlington, VA, 22203. If a statement of reasons for the appeal is not included with the notice, it must be filed with the Interior Board of Land Appeals at the above address within 30 days after the Notice of Appeal is filed with the Authorized Officer.

Signature of Authorized Official


ACTING Field Manager


Date